

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 149314
ORIGIN OPIC-06

INFO OCT-01 EA-10 ISO-00 EB-08 SIG-03 /028 R

DRAFTED BY ID/NEA:LPHOLLYWOOD:CMIDDLETON:EL

APPROVED BY EA:EHEGINBOTHAM

OPIC/AP, RPOATS

OPIC/D, RSMITH

OPIC/F, PMCCALLUM

OPIC/ID, FMCLJOHNSTON

EB/IFD/OIA, DGRANT

EA, EHEGINBOTHAM (INFO)

EA/EP, AGEBER (INFO)

EA/EP, DSTEBBING (INFO)

-----037092 130213Z /70

P 130045Z JUN 78

FM SECSTATE WASHDC

TO AMEMBASSY MANILA PRIORITY

AMEMBASSY BANGKOK PRIORITY

AMEMBASSY SINGAPORE PRIORITY

AMEMBASSY KUALA LUMPUR PRIORITY

AMEMBASSY JAKARTA PRIORITY

INFO AMCONSUL HONG KONG PRIORITY

LIMITED OFFICIAL USE STATE 149314

FROM OPIC

E.O. 11652: N/A

TAGS: EINV

SUBJECT: FEASIBILITY STUDY OF OPIC INVESTMENT MISSION
TO ASEAN

1. (UNCLAS) OPIC DIRECTOR FOR INVESTMENT MISSIONS CARL
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 149314

H. MIDDLETON, AND DEPUTY DIRECTOR FOR INSURANCE FOR ASIA,
LEIGH P. HOLLYWOOD, REQUEST EMBASSY CONCURRENCE TO VISIT
ADDRESSEE POSTS.

2. (BEGIN LOU) PURPOSES OF VISIT ARE TO STUDY FEASIBILITY
OF OPIC SPONSORED INVESTMENT MISSION FOR EARLY NOVEMBER
AND, IF APPROPRIATE, TO COMMENCE TENTATIVE ORGANIZATION

THEREOF. TRAVELERS WISH TO DISCUSS CONCEPT WITH AMBASSADOR AND EMBASSY STAFF AND, AS APPROPRIATE, HOST GOVERNMENT OFFICIALS, AMCHAM OFFICERS AND OTHER LOCAL AND AMERICAN BUSINESSMEN. IF FEASIBILITY PROVEN AND OPIC MANAGEMENT IS FAVORABLE, INTENT IS TO HAVE MISSION ANNOUNCED AT PROPOSED AUGUST 4-5 ASEAN MINISTERS MEETING IN WASHINGTON. THEREFORE, OPIC TRAVELERS WILL BE DISCUSSING MISSION ON A TENTATIVE BASIS. (END LOU)

3. (UNCLAS) IN LAST FOUR YEARS OPIC HAS ORGANIZED INVESTMENT MISSIONS TO THE MIDDLE EAST, WEST AFRICA, CENTRAL AMERICA AND SOUTH AMERICA. AN INVESTMENT MISSION TO ASEAN

BEING CONSIDERED AS THE FIRST MISSION TO BE ORGANIZED BY THE NEW INVESTMENT MISSION OFFICE WHICH IS RESPONSIBLE FOR DISTILLING OPIC PREVIOUS MISSION EXPERIENCE AND FOR ORGANIZING SEVERAL MISSIONS ANNUALLY.

4. PRELIMINARY THINKING ON THE NATURE OF OPIC-ASEAN INVESTMENT MISSION FOLLOWS:

A. MISSION WOULD CONSIST OF ABOUT 20-30 SENIOR BUSINESS EXECUTIVES, APPROXIMATELY HALF REPRESENTING SMALLER BUSINESS, I.E., COMPANIES WITH ANNUAL SALES UNDER 100 MILLION U.S. DOLLARS. MISSION OBJECTIVES WOULD BE TWOFOLD: FIRST IS AN APPRECIATION FOR THE POLITICAL ECONOMIC AND INVEST-LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 149314

MENT CLIMATE OF EACH COUNTRY DERIVED FROM EMBASSY BRIEFINGS, SEMINARS AND DISCUSSIONS WITH APPROPRIATE MINISTERS AND THEIR STAFFS, AND TALKS WITH LOCAL AMERICAN BUSINESSMEN. SECOND OBJECTIVE IS TO PROVIDE CONTACTS BETWEEN PARTICIPANTS AND HOST COUNTRY PRIVATE BUSINESSMEN AND PARASTATAL EXECUTIVES, PROBABLY IN A MORE INFORMAL SETTING, AS A NUCLEUS FOR LONG TERM BUSINESS RELATIONSHIPS AND PERHAPS EVEN JOINT VENTURE PARTNERSHIPS. LATTER INTRODUCTIONS WOULD HAVE TO BE VERY CAREFULLY TAILORED TO ACTUAL MISSION PARTICIPANTS AND THEIR CORPORATE OBJECTIVES.

B. OPIC AND EMBASSY OFFICIALS SHOULD BE CAREFUL NOT TO RAISE EXPECTATIONS OF HOST GOVERNMENTS UNDULY AS TO EITHER CERTAINTY OF MISSION'S OCCURANCE OR ITS RESULTS. PREVIOUS EXPERIENCE WITH OPIC INVESTMENT MISSIONS INDICATES THAT A TOTAL OF 1-2 PROJECTS BEING INITIATED IN ALL FIVE COUNTRIES IN FIRST THREE YEARS FOLLOWING THE MISSION WOULD BE A CREDITABLE SHOWING. HOST GOVERNMENTS SHOULD ALSO UNDERSTAND THAT IT IS THEY AND LOCAL BUSINESSMEN WHO MUST DO THE SELLING. OPIC ONLY COMMITS ITS BEST EFFORTS TO ATTRACTING PARTICIPANTS WHO ARE CAPABLE OF UNDERTAKING FOREIGN INVESTMENT, ARE SERIOUS IN LOOKING FOR INVESTMENT OPPORTUNITIES,

AND ARE IN THE INDUSTRY SECTORS WHICH APPEAR TO HAVE THE GREATEST POTENTIAL IN ASEAN. OPIC INSURANCE AND FINANCE SERVICES WOULD THEN BE AVAILABLE FOR ELIGIBLE PROJECTS.

C. HOST GOVERNMENTS WILL NOT BE REQUESTED TO PROVIDE ANY FINANCIAL SUPPORT OR UNREIMBURSED SERVICES TO THE MISSION. TO HELP INSURE SERIOUSNESS OF MISSION PARTICIPANTS, THEY WILL CARRY THE FULL COST OF THEIR TRAVEL AND LODGING AND A PRO-RATA SHARE OF OTHER COSTS SUCH AS THE COST OF RECEPTIONS, LUNCHEONS, AND DINNERS INCLUDING ALL OF THOSE ORGANIZED ON THEIR BEHALF BY EMBASSIES, AND ANY OTHER EMBASSY SUPPORT COSTS.

D. HOST GOVERNMENTS WILL BE ASKED TO ARRANGE MEETINGS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 149314

WITH APPROPRIATE MINISTERS AND OTHER OFFICIALS TO BRIEF MISSION ON THEIR ECONOMIC POLICIES, ATTITUDE TOWARD FOREIGN PRIVATE INVESTMENT (LAWS, REGULATIONS AND PRACTICES AFFECTING IT) TAX POLICIES, LABOR AND MANAGEMENT RELATIONS, LICENSING REGULATIONS, SIZE AND CHARACTERISTICS OF LOCAL MARKETS, AVAILABILITY OF FINANCING AND INFRASTRUCTURES, ETC. FOR MAXIMUM EFFECTIVENESS IN ATTRACTING SUFFICIENT DECISION-LEVEL EXECUTIVES TO PARTICIPATE IN MISSION IT IS HIGHLY DESIRABLE THAT MISSION HAVE OPPORTUNITY MEET WITH HEAD OF STATE IF ONLY FOR BRIEF COURTESY VISIT.

E. IN GENERAL, MISSION WOULD BE IN EACH COUNTRY FOR THREE DAYS. TO KEEP MISSION SUFFICIENTLY BRIEF TO ATTRACT SENIOR U.S. CORPORATE EXECUTIVES AND STILL INCLUDE ALL ASEAN COUNTRIES, IT WILL PROBABLY BE NECESSARY TO SPLIT THE MISSION INTO TWO GROUPS FOR PART OF TRIP. THE DIFFERENCES IN THE ECONOMIES AND NATURAL RESOURCE AVAILABILITIES OF SINGAPORE AND INDONESIA SUGGEST THAT IT WOULD BE LOGICAL TO DIVIDE GROUP BETWEEN THESE TWO COUNTRIES, FOR EXAMPLE TAKING AGRIBUSINESS COMPANIES TO INDONESIA AND MEDIUM TECHNOLOGY SMALL BUSINESS COMPANIES TO SINGAPORE.

F. MISSION PROGRAM IN EACH COUNTRY SHOULD GENERALLY INCLUDE: (A) INITIAL BRIEFING BY AMBASSADOR AND EMBASSY STAFF, (B) APPROXIMATELY ONE DAY OF BRIEFINGS BY HOST GOVERNMENT OFFICIALS INCLUDING DEVELOPMENT BANKS AND PARASTATALS, (C) COURTESY VISIT TO HEAD OF STATE, (D) MEETINGS WITH LOCAL AMERICAN MANAGERS FOR BRIEFING ON BUSINESS CLIMATE, (E) MEETINGS WITH LOCAL BUSINESSMEN, AND (F) DEBRIEFING BY EMBASSY. IN FINAL ANALYSIS, THE KEY TO PRODUCING INVESTMENTS IS TO INTRODUCE MISSION PARTICIPANTS TO POTENTIAL BUSINESS ASSOCIATES OR JOINT VENTURE PARTNERS.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 05 STATE 149314

BEST RESULTS IN THE PAST HAV OCCURRED FROM LOCAL BUSINESS-MEN HOSTING SMALL DINNER PARTIES FOR ONE TO FIVE PARTICIPANTS. ALTERNATIVE IS ARRANGING FOR INDIVIDUAL MISSION MEMBERS TO VISIT FRIM HEADQUARTERS, PLANT OR FARM SITES, TIME PERMITTING.

5. RECONNAISSANCE - DURING RECONNAISSANCE TRIP MIDDLETON AND HOLLYWOOD WOULD APPRECIATE EMBASSY VIEWS ON MISSION'S OBJECTIVES IN EACH COUNTRY, AND ASSISTANCE IN HELPING TO IDENTIFY INDUSTRY SECTORS WHICH WOULD BE MOST PROMISING FOR AMERICAN PRIVATE INVESTMENT. THEY WOULD ALSO APPRECIATE HELP IN IDENTIFYING POTENTIAL LOCAL LEGAL, ACCOUNTING AND OTHER BUSINESS CONSULTANTS WHO MIGHT FACILITATE FOLLOW-ON PROJECT PROJECT INVESTIGATIONS BY MISSION PARTICIPANTS. WOULD ALSO APPRECIATE EMBASSY ASSISTANCE IN PLANNING FOR SECURITY OF MISSION.

6. PROPOSED RECONNAISSANCE GROUP TRAVEL SCHEDULE IS AS FOLLOWS:

6/24: AR MANILA 0750 PA 841
6/28: LV MANILA 2000 MS 865
-----AR BANGKOK 2140
7/3: LV BANGKOK 1845 TG 407
-----AR KUALA LUMPUR 2150
7/7: LV KUALA LUMPUR 1900 SQ 111
-----AR SINGAPORE 1945
7/13: LV SINGAPORE 1800 GA 989
-----AR JAKARTA 1900
7/19: LV JAKARTA 0800 GA 874
-----AR HONG KONG 1335
7/21: LV HONG KONG 1200 NW 8 (MIDDLETON)
-----AR HONG KONG 1300 PA 2 (HOLLYWOOD)

7. OPIC TRAVELERS WOULD APPRECIATE EMBASSIES SECURING SINGLE ROOM ACCOMMODATIONS (LOWER FLOORS) IN ACCORDANCE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 06 STATE 149314

WITH ABOVE SCHEDULE. EMBASSY HELP IN MAKING APPOINTMENTS IN ACCORDANCE WITH PARAGRAPH 2 IS ALSO REQUESTED. VANCE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INVESTMENTS, TRADE VISITS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE149314
Document Source: CORE
Document Unique ID: 00
Drafter: LPHOLLYWOOD:CMIDDLETON:EL
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780245-1183
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780665/aaaacdog.tel
Line Count: 219
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 7a4c498a-c288-dd11-92da-001cc4696bcc
Office: ORIGIN OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 30 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2371543
Secure: OPEN
Status: NATIVE
Subject: FEASIBILITY STUDY OF OPIC INVESTMENT MISSION TO ASEAN
TAGS: EINV, RP, TH, SN, MY, ID, HK, OPIC, ASEAN, (MIDDLETON, CARL H), (HOLLYWOOD, LEIGH P)
To: MANILA BANGKOK MULTIPLE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/7a4c498a-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014